



Assessment of Policies for an Energy-Efficient Virginia

Presented to Governor's Energy Policy Advisory Committee by
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The American Council for an Energy-Efficient Economy (ACEEE)

- Nonprofit 501(c)(3) dedicated to advancing energy efficiency through research and dissemination.
- 30 staff in Washington, D.C., Illinois, Delaware, Michigan, and Wisconsin
- Focus on End-Use Efficiency in Industry, Buildings, Utilities, Transportation, & National Policy
- Offer Conferences and Publications
- Funding:
 - Foundation and Federal grants (50%)
 - Specific Contract work (20%)
 - Conferences and Publications (25%)



ACEEE State Policy Activities

ACEEE funded by Energy Foundation, U.S. EPA, & U.S. DOE to:

- Prepare annual *State Policy Scorecard*
 - Prepare 4 state energy efficiency assessments for “transitional states” per year
 - Completed studies for Texas, Florida, and Maryland
 - Working on studies for Virginia, Pennsylvania, Ohio, and South Carolina
- Studies co-funded by in-state groups and targeted to meet state’s policy needs – e.g., electricity, gas, on-site renewables, transport
- Assist states with ongoing energy policy implementation

VA Project Overview

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- Goal:
 - Build foundation for public education on energy efficiency
 - Provide key facts with respect to EE opportunities
 - Inform policymakers on best policy practices
 - Assess the potential for expanded electric efficiency policies to:
 - reduce electricity consumption
 - grow the state's economy & create jobs, and
 - reduce greenhouse gas emissions
 - VA project co-funded by WestWind Foundation and Agua Fund

Project Approach

- State-specific data collection
- Stakeholder outreach:
 - State Government (GEPAC, SCC, etc.)
 - Utilities and Co-ops
 - Industrial consumers
 - Public interest groups
 - Low-income advocates
- Analysis and report preparation
- Report release
- Policy Implementation Assistance

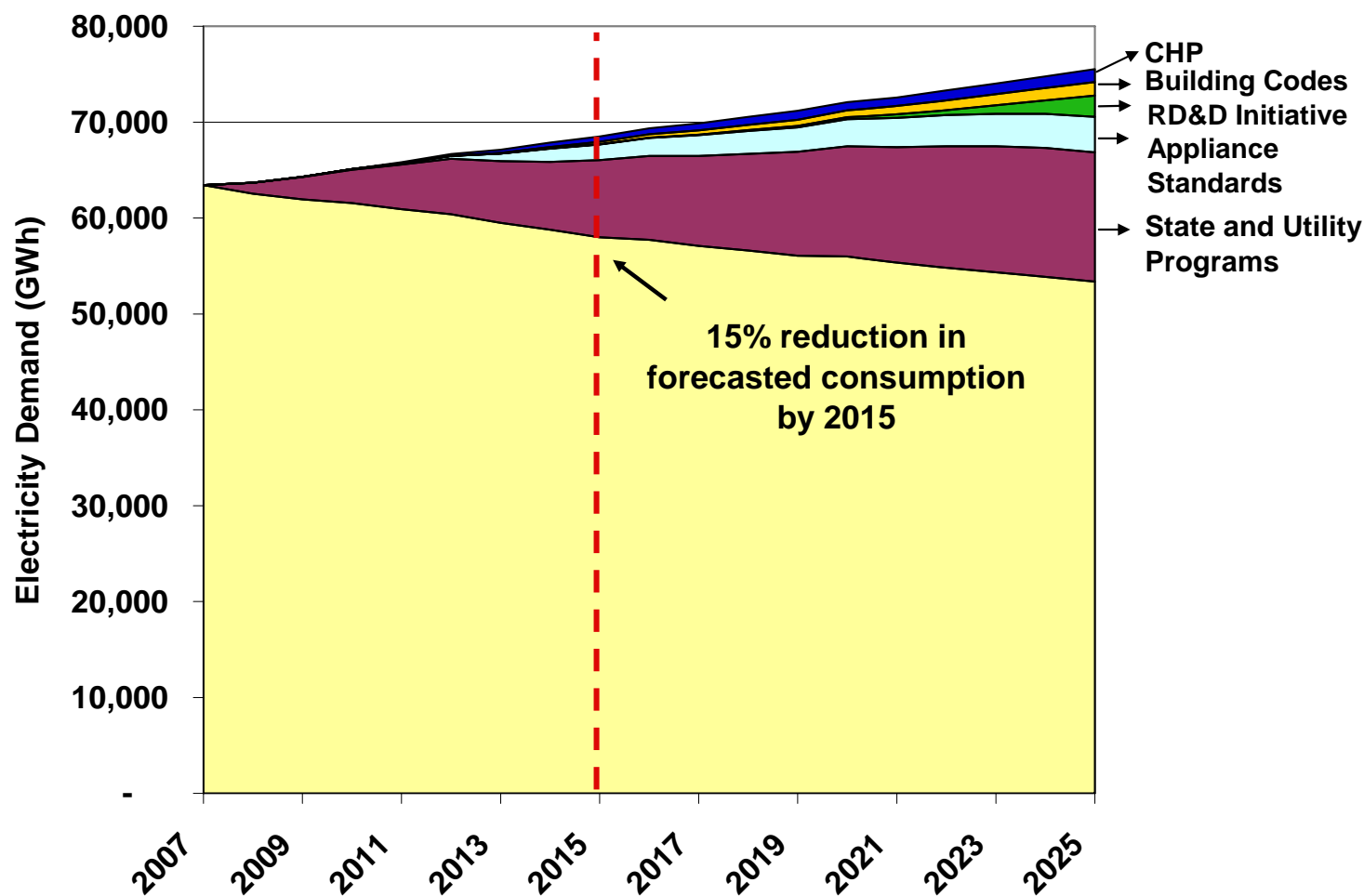
Possible Policies to be Considered

- Energy Efficiency Resource Standard (EERS)
- Building Energy Codes
- Appliance Efficiency Standards
- State Manufacturers' Initiative
- Clean Distributed Generation Supporting Policies
- Expanded State & Local Government Facilities
- Consumer Education and Outreach
- Low-Income Efficiency Programs
- Advanced New Buildings Programs
- Energy Efficiency RD&D Initiative
- Expanded Demand Response Programs

Example–Maryland: Policies Analyzed

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- EERS Target of 15% electricity savings per capita by 2015, relative to 2007 per capita consumption
 - Extend savings target by 1.5% of total sales per year through 2025
 - Implement existing federal and state appliance standards – supplement with new state standards
 - More stringent residential and commercial building energy codes
 - Establish a RD&D initiative to meet the state's unique needs while building “green collar” energy industry in the state
 - Encourage new combined heat and power (CHP) systems in the industrial, institutional, and commercial sectors
 - Expand utility demand response programs to reduce peak demand for electricity

Example–Maryland: Impacts of Policies



Example–Maryland: Impacts of Policies

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- Every dollar invested in efficiency yields \$4 in reduced consumer electricity bills
 - reduced by net \$860 million in 2015 and \$2.6 billion in 2025.
 - Energy efficiency reduces household's monthly electricity bills by:
 - Reduced demand puts downward pressure on wholesale electricity prices – typical residential consumer saves \$2 monthly by 2015
 - Reduced consumption savings reduces bills a net \$8 per month by 2015.

Combined, the average household saves a net \$10 on monthly bills in 2015 – 7% compared to forecasted bills.
 - Investments in efficiency create new, high-quality “green-collar” jobs for the state:
 - 8,000 net new jobs by 2015 and 12,000 by 2025.
 - new employment same impact as about 100 small new manufacturing plants
 - new jobs help create nearly \$500 million in new wages by 2015 and nearly \$800 million by 2025.

Example–Maryland: Impact of Report

Legislature enacted:

- EmPower Maryland target of 15% by 2015
- Directed ~2/3 of RGGI auction proceeds to energy efficiency spending
- Utilities currently planning for energy efficiency programs
- PSC overseeing electric utility programs and investigating setting gas targets

Next Steps in VA

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- Continue outreach to stakeholders – ongoing
 - Develop list of candidate Efficiency Policies – late June
 - Continue data collection – through early July
 - Undertake analysis – July
 - Release review draft to stakeholders – early August
 - Release report – mid-September
 - Assist policymakers and stakeholders in implementation of recommendations – ongoing



Key Contact Information

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